

Danny J. Horen, Esq.  
 NV Bar No. 13153  
 Kazerouni Law Group, APC  
 7854 W. Sahara Avenue  
 Las Vegas, NV 89117  
 Telephone: (800) 400-6808x7  
 Facsimile: (800) 520-5523  
 danny@kazlg.com

Tara Newbery, Esq.  
 NV Bar No. 10696  
 Connaghan | Newberry  
 7854 W. Sahara Avenue  
 Las Vegas, NV 89117  
 Telephone: (702) 608-4232  
 Facsimile: (702) 946-1830  
 tnewberry@cnlawlv.com

*Attorneys for Plaintiff*  
 Najat Yaghi

**UNITED STATES DISTRICT COURT  
 DISTRICT OF NEVADA**

<p><b>NAJAT YAGHI, on behalf of                  herself and all others similarly                  situated,</b></p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">v.</p> <p><b>BAY AREA CREDIT SERVICE,                  LLC; and PENDRICK CAPITAL                  PARTNERS LLC</b></p> <p style="text-align: center;">Defendants.</p>	<p>) <b>Case No.:</b></p> <p>)</p> <p>) <b>COMPLAINT FOR DAMAGES</b></p> <p>) <b>PURSUANT TO THE FAIR DEBT</b></p> <p>) <b>COLLECTION PRACTICES ACT,</b></p> <p>) <b>15 U.S.C. § 1692, ET SEQ.; NRS 598;</b></p> <p>) <b>AND NRS 41.600</b></p> <p>) <b>[CLASS ACTION]</b></p> <p>) <b>JURY TRIAL DEMANDED</b></p> <p>)</p>
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## INTRODUCTION

1. The United States Congress has found abundant evidence of the use of abusive, deceptive, and unfair debt collection practices by many debt collectors, and has determined that abusive debt collection practices contribute to the number of personal bankruptcies, to marital instability, to the loss of jobs, and to invasions of individual privacy. Congress wrote the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 et seq., to eliminate abusive debt collection practices by debt collectors, to insure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged, and to promote consistent State action to protect consumers against debt collection abuses.
2. NAJAT YAGHI (“Plaintiff”) by Plaintiff’s attorneys, brings this action to challenge the actions of BAY AREA CREDIT SERVICE LLC (“BAY AREA”) and Pendrick Capital Partners LLC (“PENDRICK”) (jointly as “Defendants”) with regard to attempts by Defendants, debt collectors, to unlawfully and abusively collect a debt allegedly owed by Plaintiff, and this conduct caused Plaintiff damages.
3. Plaintiff makes these allegations on information and belief, with the exception of those allegations that pertain to plaintiff, or to plaintiff’s counsel, which Plaintiff alleges on personal knowledge.

- 1 4. While many violations are described below with specificity, this Complaint  
2 alleges violations of the statute cited in its entirety.
- 3 5. Unless otherwise stated, all the conduct engaged in by Defendants took  
4 place in Nevada.
- 5 6. Any violations by Defendants were knowing, willful, and intentional, and  
6 Defendants did not maintain procedures reasonably adapted to avoid any  
7 such violation.
- 8 7. Unless otherwise indicated, the use of Defendants' name in this Complaint  
9 includes all agents, employees, officers, members, directors, heirs,  
10 successors, assigns, principals, trustees, sureties, subrogees, representatives,  
11 and insurers of Defendants' named.

#### 12 JURISDICTION AND VENUE

- 13 8. This Court has federal question jurisdiction because this case arises out of  
14 violation of federal law. 15 U.S.C. §1692 *et seq.*; *Smith v. Community*  
15 *Lending, Inc.*, 773 F.Supp.2d 941, 946 (D. Nev. 2011). Jurisdiction arises for  
16 Plaintiff's supplemental state claims under 28 U.S.C. § 1367.
- 17 9. This action arises out of Defendants' violations of: (i) the Fair Debt  
18 Collection Practices Act, 15 U.S.C. §§ 1692-1692(p) ("FDCPA"); (ii) NRS  
19 649.332; (iii) NRS 449.759, (iv) NRS 598 *et seq.*; and (v) NRS 41.600 *et*  
20 *seq.*

1 10. Venue is proper in the United States District Court for the District of Nevada  
2 pursuant to 28 U.S.C. § 1391(b) because Plaintiff is a resident of Clark  
3 County, the State of Nevada and Defendants are subject to personal  
4 jurisdiction in the County of Clark, State of Nevada as they conduct business  
5 there, and the conduct giving rise to this action occurred in Nevada. 28  
6 U.S.C. § 1391(b)(2).  
7

### 8 **PARTIES**

9  
10 11. Plaintiff is a natural person who, at the time of the conduct giving rise to this  
11 action, resided in the County of Clark, State of Nevada, from whom a debt  
12 collector sought to collect a consumer debt which was due and owing or  
13 alleged to be due and owing from Plaintiff. In addition, Plaintiff is a  
14 “consumer” as that term is defined by 15 U.S.C. § 1692a(3).  
15

16 12. Plaintiff is informed and believes, and thereon alleges, that Defendant BAY  
17 AREA CREDIT SERVICE LLC is, and at all times mentioned herein was, a  
18 limited liability company, whose primary address is in Atlanta, Georgia.  
19

20 13. Plaintiff is informed and believes, and thereon alleges, that Defendant  
21 PENDRICK CAPITAL PARTNERS LLC is, and at all times mentioned  
22 herein was, a limited liability company, whose primary address is in Burke,  
23 Virginia.  
24

25 14. Plaintiff is informed and believes, and thereon alleges, that BAY AREA, in  
26 the ordinary course of business, regularly, on behalf of themselves or others,  
27  
28

engage in “debt collection” and is therefore a “debt collector” as the terms are defined by 15 U.S.C. § 1692a(6).

15. BAY AREA is a multi-state debt collector, offering debt collection services in various industries, including but not limited to medical debts allegedly owed by consumers.

16. PENDRICK is a multi-state debt buyer and servicer.

17. Plaintiff is informed and believes, and thereon alleges, that BAY AREA was acting as the agent for PENDRICK, the principal, at all times relevant. In this capacity, Plaintiff is informed and believes, and thereon alleges, that BAY AREA was authorized to act on behalf of PENDRICK to collect the debt allegedly owed by Plaintiff.

18. At a minimum, BAY AREA maintained apparent authority to act on behalf of PENDRICK, since Plaintiff reasonably believed that an agency relationship existed between Defendants, and this reasonable belief was traceable to a manifestation of PENDRICK.

19. PENDRICK knowingly accepted the benefits of the FDCPA violations alleged herein by receiving compensation from consumers from whom PENDRICK’s agents, BAY AREA collected debts on behalf of PENDRICK.

20. Plaintiff is informed and believes, and thereon alleges, that the alleged debts are regarding emergency medical treatments Plaintiff received, which is

1 money, property or their equivalent, due or owing or alleged to be due or  
2 owing from a natural person by reason of a consumer credit transaction.  
3 Because this alleged debt is for medical services, which are primarily for  
4 personal, family, or household purposes, this action arises out of a “debt” as  
5 that term is defined by 15 U.S.C. 1692a(5).  
6

7  
8 **FACTUAL ALLEGATIONS**

9 21. At all times relevant, Plaintiff was an individual residing within the State of  
10 Nevada.

11 22. Plaintiff is informed and believes, and thereon alleges, that at all times  
12 relevant, Defendant conducted business in the State of Nevada.

13 23. Plaintiff is informed and believes, and thereon alleges, that the alleged debt  
14 due from Plaintiff is for emergency “hospital” treatment, as defined in NRS  
15 449.012.  
16

17 24. On or about August 29, 2012, Plaintiff allegedly incurred a medical debt  
18 from services received at Valley Hospital, performed by Shadow Emergency  
19 Physicians. This debt was money, property, or their equivalent, which is due  
20 or owing, or alleged to be due or owing, from a natural person to another  
21 person and were therefore “debt(s)” and a “consumer debt” as the terms are  
22 defined by 15 U.S.C. § 1692(a)(6).  
23  
24

25 25. Plaintiff takes no position as to the validity of the alleged debt.  
26  
27  
28

1 26. Subsequently, the alleged debt was allegedly assigned, placed or otherwise  
2 transferred, to BAY AREA for collection on behalf of PENDRICK.

3 27. On or about September 20, 2013, Defendants or its agent/s began contacting  
4 Plaintiff via written letter in attempt to collect the alleged debt. This letter  
5 was a “communications” as defined in 15 U.S.C. § 1692(a)(2).  
6

7 28. Defendants’ letter was an attempt to collect an alleged debt originally owed  
8 to Shadow Emergency Physicians. Upon information and belief, Plaintiff  
9 alleges this was Defendants’ initial contact with Plaintiff regarding the  
10 alleged debt owed.  
11

12 29. Defendants’ April 4, 2013 letters to Plaintiff failed to include the following  
13 notice language required by NRS 649.332(2)(a-b) for collection efforts on  
14 medical debts:  
15

16 (a) If the debtor pays or agrees to pay the debt or any portion of the debt, the  
17 payment or agreement to pay may be construed as:

- 18 (1) An acknowledgment of the debt by the debtor; and  
19 (2) A waiver by the debtor of any applicable statute of limitations set  
20 forth in NRS 11.190 that otherwise precludes the collection of the  
21 debt; and

22 (b) If the debtor does not understand or has questions concerning his or her  
23 legal rights or obligations relating to the debt, the debtor should seek legal  
24 advice.  
25

26 30. Defendants further failed to provide Plaintiff with the required notice within  
27 5 days of the initial contact regarding the alleged debts, which constitutes a  
28 violation of NRS 649.332(2).

31. By sending a communication that failed to include statutory language  
required under NRS 649.332, Defendants’ letter was deceptive and

1 misrepresented Plaintiff's obligations, thereby misrepresenting and  
2 mischaracterizing the alleged debt to Plaintiff. Thus, Defendants' collection  
3 letter violated 15 U.S.C. § 1692e.  
4

5 32. By sending a communication that failed to include statutory language  
6 required under NRS 649.332, Defendants failed to indicate they were  
7 collecting a "hospital" debt. Thus, Defendants violated 15 U.S.C. § 1692e(2)  
8 by mischaracterizing the character of the alleged debt.  
9

10 33. Through this conduct of failing to include statutory language that affected  
11 Plaintiff's rights and obligations with respect to the alleged debt, Defendants  
12 violated 15 U.S.C. § 1692e(10) by using deceptive means to collect  
13 Plaintiff's alleged debt.  
14

15 34. By sending a communication that failed to include statutory language  
16 required under NRS 649.332, Defendants violated 15 U.S.C. § 1692f by  
17 using unconscionable and unfair means in attempt to collect the alleged debt  
18 owed by Plaintiff.  
19

20  
21 35. Through this conduct that violated NRS 649.332(2), which incorporates the  
22 FDCPA through NRS 449.759, Defendants also violated NRS 449.759.  
23

24 36. Through this conduct, Defendants violated NRS 598.0915(15) by knowingly  
25 making a false representation regarding Plaintiff's rights and financial  
26 obligations regarding the alleged debt.  
27  
28



1 37. Through this conduct, Defendant violated NRS 598.0923(3) by violating the  
2 NDTPA, a Nevada statute, and the FDCPA, a federal statute in attempt to  
3 collect an alleged debt.

4  
5 38. NRS 41.600(2)(e) defines “consumer fraud” as a “deceptive trade practice as  
6 defined in NRS 598.0915 to 598.0925, inclusive.” Thus, Defendant’s violations  
7 of 598.0915(15) and NRS 598.0923(3) constitute “consumer fraud” under NRS  
8 41.600(2)(e).  
9

### 10 **Class Action Allegations**

11  
12 39. Plaintiff brings this action on behalf of themselves and on behalf of all  
13 others similarly situated (the “Class”).  
14

15 40. Plaintiff represents, and is a member of the Class, consisting of:

16  
17 All persons with addresses within Nevada to whom  
18 Defendants sent an initial written communication  
19 between the date of the filing of this action and one  
20 year preceding, which was not returned undeliverable  
21 by the United States Postal Service, and was  
22 attempting to collect a “hospital” debt, as defined by  
23 NRS §449.012, and failed to include the required  
24 notice under NRS § 649.332(2)(a-b) and failed  
25 within 5 days of sending the initial written  
26 communication to provide that person with the notice  
27 required under NRS § 649.332(2)(a-b).  
28

41. Defendants and their employees or agents are excluded from the Class.

Plaintiff does not know the number of members in the Class, but believes  
the Class members number in the hundreds, if not thousands. This matter

1 should therefore be certified as a Class action to assist in the expeditious  
2 litigation of this matter.

3 42. Plaintiff and members of the Class were harmed by the acts of Defendants  
4 in at least the following ways: Defendants, either directly or through its  
5 agents, engaged in illegal and deceptive collection practices, when they  
6 failed to provide the required notices under NRS § 649.332(2)(a-b).  
7 Plaintiff and the Class members were damaged thereby.  
8  
9

10 43. This suit seeks only damages for recovery of actual and statutory injury on  
11 behalf of the Class, and it expressly is not intended to request any recovery  
12 for personal injury and claims related thereto. Plaintiff reserves the right to  
13 expand the Class definition to seek recovery on behalf of additional persons  
14 as warranted as facts are learned in further investigation and discovery.  
15  
16

17 44. The joinder of the Class members is impractical and the disposition of their  
18 claims in the Class action will provide substantial benefits both to the  
19 parties and to the court. The Class can be identified through Defendants'  
20 records or Defendants' agents' records.  
21

22 45. There is a well-defined community of interest in the questions of law and  
23 fact involved affecting the parties to be represented. The questions of law  
24 and fact to the Class predominate over questions which may affect  
25 individual Class members, including the following:  
26

27 a. Whether, within the one year prior to the filing of this Complaint,  
28

1 Defendants or their agents sent to the Class any written initial  
2 medical debt collection letters that failed to include the required  
3 notices under NRS 649.332(2)(a-b);

4  
5 b. Whether, after failing to include the notices required under NRS  
6 649.332(2)(a-b), Defendants or their agents failed to provide the  
7 required notices to the Class members within 5 days, as required  
8 under NRS 649.332(2)(a-b); and  
9

10 c. Whether Plaintiff and the Class members were damaged thereby, and  
11 the extent of damages for such violation.  
12

13 46. As a person that received at least one medical debt collection letter that  
14 failed to include the notice required under NRS 649.332(2)(a-b), and then  
15 did not within 5 days of the initial communication, receive the notice  
16 required under NRS 649.332(2)(a-b), Plaintiff is asserting claims that are  
17 typical of the Class. Plaintiff will fairly and adequately represent and  
18 protect the interest of the Class in that Plaintiff has no interests antagonistic  
19 to any member of the Class.  
20  
21

22 47. Plaintiff and the members of the Class have all suffered irreparable harm as  
23 a result of the Defendants' unlawful and wrongful conduct. Absent a class  
24 action, the Class will continue to face the potential for irreparable harm. In  
25 addition, these violations of law will be allowed to proceed without remedy  
26 and Defendants will likely continue such illegal conduct. Because of the  
27  
28

size of the individual Class member's claims, few, if any, Class members could afford to seek legal redress for the wrongs complained of herein.

48. Plaintiff has retained counsel experienced in handling class action claims and claims involving violations of the Fair Debt Collection Practices Act.

49. A class action is a superior method for the fair and efficient adjudication of this controversy. Class-wide damages are essential to induce Defendants to comply with federal and Nevada law. The interest of Class members in individually controlling the prosecution of separate claims against Defendants is small because the maximum statutory damages in an individual action for FDCPA violations are minimal. Management of these claims is likely to present significantly fewer difficulties than those presented in many class claims.

50. Defendants have acted on grounds generally applicable to the Class, thereby making appropriate final declaratory relief with respect to the Class as a whole.

**FIRST CAUSE OF ACTION  
VIOLATION OF THE FAIR DEBT COLLECTION PRACTICES ACT  
15 U.S.C. §§ 1692-1692(p) (FDCPA)**

51. Plaintiff incorporates by reference all of the above paragraphs of this Complaint as though fully stated herein.

52. The foregoing acts and omissions constitute numerous and multiple violations of the FDCPA.

1 53. As a result of each and every violation of the FDCPA, Plaintiff is entitled to  
2 damages of \$1,000 and such amount as the court may allowed for all other  
3 class members, not to exceed the lesser of \$500,000 or 1 per centum of the  
4 net worth of the debt collector, pursuant to 15 U.S.C. § 1692k(a)(2)(B); and  
5 reasonable attorney's fees and costs pursuant to 15 U.S.C. § 1692k(a)(3)  
6 from Defendants.  
7

8  
9 **SECOND CAUSE OF ACTION**  
10 **VIOLATION OF THE NEVADA DECEPTIVE TRADE PRACTICES ACT**  
11 **NRS 598 ET SEQ. (NDTPA), CONSTITUTING "CONSUMER FRAUD"**  
12 **UNDER NRS 41.600 ET SEQ.**

13 54. Plaintiff incorporates by reference all of the above paragraphs of this  
14 Complaint as though fully stated herein.

15 55. The foregoing acts and omissions constitute numerous and multiple  
16 violations of the NDTPA, which incorporates the FDCPA through NRS  
17 598.0923(3).  
18

19 56. As a result of each and every violation of the NDTPA, which incorporates  
20 the FDCPA, and constitutes "consumer fraud" under NRS 41.600(2)(e),  
21 Plaintiff is entitled to damages of \$1,000 and reasonable attorney's fees and  
22 costs from Defendants pursuant to 15 U.S.C. § 1692k.  
23

24 57. Further, as a result of each and every violation of the NDTPA, which  
25 incorporates the FDCPA, and constitutes "consumer fraud" under NRS  
26 41.600(2)(3), Plaintiff is entitled to any damages sustained, pursuant to NRS  
27  
28

1 41.600(3)(a); and reasonable attorney's fees and costs pursuant to NRS  
2 41.600(3)(b), from Defendants.

3 **PRAYER FOR RELIEF**

4 Wherefore, Plaintiff respectfully requests the Court grant Plaintiff the following  
5 relief against Defendants:  
6

7 **FIRST CAUSE OF ACTION**  
8 **VIOLATION OF THE FAIR DEBT COLLECTION PRACTICES ACT**  
9 **15 U.S.C. §§ 1692-1692(p) (FDCPA)**

- 10 • an award of statutory damages of \$1,000.00 to each named Plaintiff,  
11 pursuant to 15 U.S.C. § 1692k(a)(2)(A), against Defendants;  
12 • an award of any such amount as the court may allow for all other class  
13 members, not to exceed the lesser of \$500,000 or 1 per centum of the net  
14 worth of each Defendant, pursuant to 15 U.S.C. § 1692k(a)(2)(B), against  
15 Defendants;  
16 • an award of costs of litigation and reasonable attorney's fees, pursuant to  
17 15 U.S.C. § 1692k(a)(3), against Defendants; and  
18 • any other relief the Court may deem just and proper.  
19  
20  
21

22 **SECOND CAUSE OF ACTION**  
23 **VIOLATION OF THE NEVADA DECEPTIVE TRADE PRACTICES ACT**  
24 **NRS 598 ET SEQ. (NDTPA), CONSTITUTING "CONSUMER FRAUD"**  
25 **Under NRS 41.600 et seq.**

- 26 • an award of statutory damages of \$1,000.00 to Plaintiff, pursuant to 15  
27 U.S.C. § 1692k(a)(2)(A), against Defendants;  
28

- an award of any damages Plaintiff sustained, pursuant to NRS 41.600(3)(a), against Defendants.
- an award of costs of litigation and reasonable attorney's fees, pursuant to 15 U.S.C. § 1692k(a)(3) and NRS 41.600(3)(b), against Defendants; and
- any other relief the Court may deem just and proper

**TRIAL BY JURY**

58. Pursuant to the seventh amendment to the Constitution of the United States of America, Plaintiff is entitled to, and demands, a trial by jury.

Dated: September 10, 2014

Respectfully submitted,

BY: /s/ DANNY J. HOREN

DANNY J. HOREN, ESQ.  
NV BAR NO. 13153  
KAZEROUNI LAW GROUP, APC  
ATTORNEYS FOR PLAINTIFF

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**CERTIFICATE OF SERVICE**